

ASGCT Joins With More Than 200 Groups in Support of Orphan Drug Tax Credit

As part of proposed tax reform, the Trump administration and the United States House of Representatives has proposed eliminating the Orphan Drug Tax Credit (ODTC). ASGCT is asking that members and followers to contact their Senators and Representatives today to help keep this important research incentive.

November 13, 2017— In response to the release of the Tax Cuts and Jobs Act, ASGCT <u>signed onto an</u> <u>advocacy letter</u> alongside approximately 140 other organizations in support of maintaining the Orphan Drug Tax Credit (ODTC). The letter, addressed to leaders of both the U.S. Senate's Committee on Finance and the U.S. House Committee on Ways & Means, has attracted and additional 60 groups in the week since ASGCT joined. All told, more than 200 organizations have signed onto the letter.

As part of proposed tax reform, the Trump administration, the United States Senate and the United States House of Representatives has proposed eliminating or significantly curtailing the ODTC.

The ODTC allows drug manufacturers to claim a tax credit of 50 percent of the qualified costs of clinical research and drug testing of orphan drugs. An <u>economic analysis</u> of the ODTC done by the <u>National</u> <u>Association for Rare Disorders (NORD)</u> found that without the ODTC approximately 33 percent fewer orphan therapies would have been developed over the previous 32 years, and 33 percent fewer orphan therapies will be developed going forward if the tax credit is repealed, which would be a critical blow to individuals with rare diseases.

As a society, ASGCT strongly opposes stifling the development of innovative and curative treatments of all kinds, including gene and cell therapy. We hope our members and interested parties will consider joining us in speaking up in favor of this important incentive. To help make reaching out to local representatives easier, NORD offers tools with which people can directly <u>call</u> or <u>email</u> their Senators and Representatives.

A current version of the letter, including all participating organizations and the full text, can be found on the <u>NORD website</u>.

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About ASGCT

The American Society of Gene & Cell Therapy is the primary professional membership organization for scientists, physicians, patient advocates, and other professionals with interest in gene and cell therapy. Our members work in a wide range of settings including universities, hospitals, government agencies, foundations, biotechnology and pharmaceutical companies. ASGCT advances knowledge, awareness, and education leading to the discovery and clinical application of gene and cell therapies to alleviate human disease to benefit patients and society.